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SUBJECT: MIDDLE EAST MULTILATERAL WORKING GROUP ON WATER
RESOURCES: EXECUTIVE COUNCIL MEETING OF THE
MIDDLE EAST DESALINATION RESEARCH CENTER,
DECEMBER 16, 2007

¶1. This cable is Sensitive but Unclassified. Please handle accordingly.

Summary and Introduction

¶2. (U) The Executive Council (ExCouns) of the Middle East Desalination Research Center (MEDRC) held its twenty first meeting in Muscat, Oman, December 16, 2007. MEDRC, which was established by the Middle East peace process Multilateral Working Group on Water Resources, has its headquarters in Muscat, Oman, and has been operating continuously since early ¶1997. Representatives of the U.S., Israel, Oman, Jordan, the Palestinian Authority, Japan, Korea, the Netherlands, and Qatar constitute MEDRC's Executive Council. MEDRC's activities are open to experts and officials from throughout the Middle East and other parts of the world.

¶3. (U) The ExCouns reviewed the status of ongoing activities, fundraising activities, and MEDRC finances. MEDRC Director Koussai Quteishat reported that discussions with several potential new member governments continue. End Summary and Introduction.

Participants

¶4. (U) The following officials participated in the December 12 ExCouns meeting: for Oman, MFA Under Secretary Sayyid Badr, ExCouns Chairman, and Mr. Humaind Al-Maani, MFA; for the U.S., Dr. Charles Lawson, ExCouns Vice Chairman and NEA Senior Advisor for Science and Technology, and Mr. Kevin Price, U.S. Technical Representative and Water Treatment Program Manager, U.S. Bureau of Reclamation; for Israel, Mr. Yaacov Hadas, MFA Deputy Director General for the Middle East, and Mr. Oded Fixler, Israeli Technical Representative and Israel National Water and Sewage Authority; for Japan, Mr. Hideki Yamaji, Japanese Embassy Muscat, and Dr. Totaro Goto, Japanese Technical Representative and Advisor, Water Reuse Promotion Center; for Korea, Mr. Jung-Soo Kim, Korean Embassy Muscat; for Jordan, Mr. Fayez Bataineh, Assistant Secretary General, Jordan Valley Authority; for the

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Palestinian Authority, Mr. Fadel Ka,awash, Director,

Palestinian Water Authority; for The Netherlands, Baroness Henriette van Lynden, Director, North Africa and Middle East Department, Dutch MFA, and Professor Jan Schippers, Dutch Technical Representative and Professor, Water Supply Technology, UNESCO-IHE Institute of Water Education; and, for Qatar, Mr. Fahad Hamad Al Mohammadi, General Manager, Qatar Electricity and Water Company. MEDRC Director Quteishat also participated in the meeting.

Status of Ongoing Activities

¶15. (U) Concerning MEDRC's research program, Director Quteishat reported that response to the 2007 Request for Proposals for research projects has been sparse. MEDRC has so far received only nine pre-proposals. ExCouns member Lawson suggested that MEDRC take a more proactive role by targeting topics of interest and reaching out to researchers or institutions that might undertake such research. Including the five projects so far awarded in 2007 (from proposals submitted in 2006), the total number of MEDRC projects awarded since MEDRC began operations now stands at 64, 34 of which have been completed. MEDRC's scholarship program continues to expand, with MEDRC now having supported 12 Masters and 16 Ph.D. students. Demand for MEDRC sponsored training courses also continues to increase. In 2007, MEDRC sponsored five training courses, one in Libya, two in Jordan, and two in Oman. Since the training program began in September 2003, MEDRC has organized 31 training courses, with over 1,000 experts from the region having participated.

¶16. (U) Quteishat reported that construction of MEDRC's in-house research facility continues apace, with completion scheduled for early 2008. (Note: The ExCouns met in a room of the new building that had been finished just for the meeting. End note.)

Fundraising

¶17. (SBU) Quteishat reported that MEDRC continues to pursue additional governments to join (and contribute to) MEDRC. Lawson reported that in discussions he had with Italian MFA officials in Rome just prior to the ExCouns meeting, Italy expressed interest in joining MEDRC and requested that MEDRC submit a proposal on what Italian funds would be used to support. Funds are likely to come from the Italian Environment Ministry, and the Minister is particularly interested in supporting Israeli-Palestinian-Jordanian activities. Discussions about membership also continue at various stages with Germany, Spain, the UK, Australia, Kuwait, Bahrain, Singapore, Finland, and Denmark.

Financial Update

¶18. (SBU) In reviewing MEDRC's financial situation, Quteishat thanked Oman, the U.S., and The Netherlands for their additional contributions in 2007 (the U.S. contributed \$350,000; Oman and The Netherlands each \$300,000). The Korean and Israeli ExCouns members noted that they are in the process of finalizing contributions for this year. Quteishat told the ExCouns that with those contributions, plus Qatar's new membership contribution reported at the June meeting, MEDRC finances should be satisfactory for 2008. He proposed, and the ExCouns approved a budget for 2008 of \$3.22 million. Quteishat emphasized, though, that MEDRC would need additional funds for 2009, and he urged members to make additional contributions.

¶19. (SBU) In order to address MEDRC's long term financial needs, Quteishat presented a proposal to establish a \$100 million fund - the MEDRC Second Decade Water Fund - to assure MEDRC's long-term sustainability. ExCouns Chairman Badr announced that Oman would contribute the first \$1 million to

the Fund. While ExCouns members recognized the need for MEDRC to secure funding for the long term and generally supported the idea for a fund, they raised many issues. Japanese ExCouns member Yamaji suggested that MEDRC should review its goals and objectives first to determine if it indeed needs to raise \$100 million. Lawson asked whether the fund would be an endowment whose interest would be used to support MEDRC activities or the \$100 million would be spent down. Quteishat said that no decision had been made yet on that issue. Lawson also recommended that MEDRC consult with an expert who is familiar with large scale fund raising campaigns, as it will be no easy task raising \$100 million. At the end of the discussion Quteishat asked ExCouns members to give the fund proposal further thought and provide comments back to him.

Comments

¶10. (SBU) MEDRC is one of the only institutions established under the Middle East multilateral peace process that continues to operate to this day. Despite the modest budget with which MEDRC has always operated, it has established itself as a recognized international desalination research institution. The need for additional funding is an issues raised at every ExCouns meeting. The idea for a fund is an interesting one, and a successful fund raising campaign would help to assure MEDRC,s long term sustainability. Whether or not a \$100 million fund could be realized remains to be seen.
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